

Minutes of the Redevelopment Agency of Murray City held Tuesday, October 19, 2004 at 4:00 p.m. at the Murray City Council Chamber, 5025 South State Street, Murray, Utah.

Present:

Patricia (Pat) Griffiths, Chair
Krista Dunn
Robert (Robbie) Robertson
Jim Brass
Jeff Dredge

Dan Snarr, Mayor
Keith Snarr, Redevelopment Director
Frank Nakamura, City Attorney
Shannon Jacobs, Council Director
Josh Yost
Jay Bollwinkel

Pat Griffiths called the meeting to order

1. Approval of September 7th minutes

Krista Dunn made a motion to approve the minutes of the September 7th meeting.

Jim Brass seconded

Pat Griffiths made a few corrections and called for a vote

The vote was unanimous to approve the minutes as corrected

2. Consider a resolution terminating a study to determine if a Redevelopment or economic development project within an area known as the Fashion Place North Survey Area is feasible

Pat Griffiths

You'll all recall the discussion we had on September 23. I assume you've all read the resolutions which contain rationale for terminating the study. For the record the reasons are that the agency needs to focus its time and effort on the Fireclay Survey area. There needs to be a more extensive plan with input from interested parties as to what needs to be done in the Fashion Place North area. And after further planning it may be determined that there are other means to resolve the problems that concern the Board. That would be our rationale.

Krista Dunn

I think people were pretty clear in the last meeting what reservations we had with it.

Pat Griffiths

Are there any additional concerns?

Jim Brass

I guess I do have one question, the economic development or EDA? If we terminate both, how does that affect us for coming back later for an EDA?

Keith Snarr.

The language we had when we began the survey area was language of either the RDA or EDA, that's why the same language is used here. If you come back in the future what you would have to do is to initiate a new survey area resolution. Economic development is qualified through jobs, but they must be jobs that would be either manufacturing or industrial jobs or office jobs. Retail is considered ancillary and does not qualify for an EDA. We're looking primarily at retail there. I have heard other questions or comments from some of the residents in the area who are concerned about what's happening there. Some of them couldn't attend that neighborhood meeting and others that understand that we haven't solved the problems if we terminate the study at this time.

Jeff Dredge

I'm simply concerned that if we kill this, nothing happens. I want to make sure that there are processes in place that we continue. Whether it's a plan, I don't want this to just die.

Krista Dunn

I think the direction of the Board from the last meeting is that we may have put the cart before the horse and we need to get a plan in place. Once that plan is in place then I don't have any problem putting money forward to put a plan in place. Something definitely needs to happen in both of these areas. But in my position over where I live and who I represent this Fashion Place area is important to me obviously. Its important to the people that live there, while they don't agree with the RDA, they certainly agree that they'd like to see some things happen there and they'd like to see a plan in place. Let's get busy and put a plan together.

Jim Brass

I would agree with that, we need to take care of the still empty businesses. On a positive I was happy to see Tai Pan Trading using the former the Linens and Things space.

Pat Griffiths

Is that a temporary or a permanent situation?

Keith Snarr

I really don't know, because they're in the process of building their new building on 90th South and about 8th West. I think that's where they'll relocate their wholesale. They really haven't had much of a retail presence, so this is a little experiment for them, if it works well, I wouldn't be surprised if they keep it. The other thing that is important to note is that we do have this pending merger of General Growth with the Rouse Company who owns some property in this area. I'm guessing that they'll sort out where they're going with this, but that's not going to happen immediately. It's still down the road at least a year or a couple of years before that comes to the table, and we have to look a little closer when that occurs.

Jim Brass

That may be the time to do that.

Mayor Snarr

After 20 years, they've gone in and torn up the old overflow parking lot for Fashion Place mall. It was a real disaster and they cleaned that up and re-paved it.

Pat Griffiths

I concur with sentiments that have been expressed and I've had conversations with our consultants and it's not my wish that we abandon this area by any means. We need to have a positive plan and that is what I'd like to do too.

Jeff Dredge

As it's been stated, to make a plan without the mall being involved, I'm not sure is a good idea.

Keith Snarr

I have had it expressed by others that we need to focus on planning that would start to knit some of these areas together, from Fireclay to the middle of Murray to the hospital to the Mall and College Park. We need to get down to that next level of planning, we have a General Plan, but we need to start now getting a little more specific. A transportation plan is a move in that direction, but there are other things that need to be done to start to tie in pedestrian ways and the types of development we're going to want to promote at each of these locations. I'll put a word in for that as well.

Pat Griffiths

Any other discussion? If not I'd entertain a motion.

Krista Dunn made a motion to adopt the resolution terminating the study for the redevelopment project known as Fashion Place North survey area.

Robbie Robertson seconded

Pat Griffiths

Any more discussion?

Josh Yost

Today I've been going over the recording of the minutes from the last meeting. The overwhelming opinion that I received from the consultants was that even a move to adjust the boundaries of this area would be equivalent to, as Ms. Wickstrom stated, putting our heads in the sand and that only if the study and plan was done concurrently, would you know if the plan had legs. Any other way the plan would just be a speculative hope about what might happen there with no methods in place to help a developer to secure that plan. No power on your behalf to make sure a developer follows that plan. You have no control of any moneys going to that area and you lose that leverage that you have by controlling the tax increment that would go into that redevelopment. It allows you to one control the development and two make the development happen. Because the reason its not happening is clearly an issue of supply and demand, the market does not dictate something happening with that much capital investment in that area, but if you can

decrease the amount of capital outlay a developer would have to make with even a small contribution in redevelopment tax increment diverted back to the development area then you have a way to control a developer. But if all you do is put together a plan, a developer can look at it and turn away and do whatever he wants. So I think taking the opportunity here and taking it now is vital. The timing is essential as the Mayor and as Jeff Dredge and some others pointed out in the last meeting I think the opportunity costs would be great in not going forward, much more so than in going forward.

Jeff Dredge

I've come to terms with that in that I can't see us making a plan without the mall being involved. The changing of the hands, who knows how long that's going to take for them to get a cohesive plan for that area, and if they do find blight then for who knows how long those neighbors over there are stuck with this moniker of blight attached to their property and I'm not willing to do that.

Pat Griffiths called for voice vote

The vote was unanimous. The motion carried.

3. Consider a resolution terminating a study to determine if a Redevelopment or Economic Development project within an area known as the College Park Survey Area is feasible

Pat Griffiths

This resolution states the same rationale that I stated before.

Keith Snarr

I've not heard any comments on the College Park, other than one or two. The reason is probably because we haven't had any neighborhood meetings. The concerns I've had is that "but for" redevelopment would this happen. "But for" redevelopment I think a lot of the development that's in the pipeline is still going to go forward. A big question on this one is whether or not to use a redevelopment or economic development. I think in this case economic development can be justified. If we were to put that kind of a project in place we could generate tax increment and thereby be able to assist in acquisition and transformation of the residential area on Wirthlin Street and its surrounding subdivision. If we terminate this project now, other projects will go forward and the opportunity to garner tax increment to help remove those homes and transition that area is probably lost.

Jim Brass

I have talked with several people and that was the comment that I received on this. I said that I would the question this so that it would be on the record. The comments were that there are some projects in this area that are likely. If we're trying to fund the RDA, this one might not be a bad project as far as collecting increment. There's talk of Smith's moving across the street, there's talk of other projects going in and their comment was that it would be shame to see this one go, because it's probably going to happen much quicker.

Krista Dunn

But how many of those things would happen with or without the RDA?

Keith Snarr

I think the commercial projects that have been in the planning such as Valley Center Towers and the Stevens Henagar relocation and the commercial development on the corner of 5300 South and 700 West will likely proceed with or without the RDA. The question is would we be able to facilitate the transition of those homes in that neighborhood that we just mentioned.

Krista Dunn

Then I'm going to go back to what I said early on when we were first looking at these. To include the Valley Center Towers in this project just doesn't make any sense to me at all. I know it has to do with money, but it doesn't make any sense to me because RDA is designed for projects that cannot go forward without the RDA.

Keith Snarr

Well they've been challenged, they were challenged for 23 years and all of a sudden someone stepped forward and did something. He's not out of the woods with phases 2 and 3.

Krista Dunn

I would agree its going to be scraping to make it happen, but the reality is it doesn't fit in my opinion in an RDA.

Mayor Snarr

I value your opinion, but at the same time I see that there's a good case made for the fact that you need to have that particular area than can generate enough money in the increment that you get from it to help address areas like Allendale and Hamblin. Let me tell you what's going to happen. It's just going to sit there and fester and it's going to be a burr under the saddle of the city, because they can't sell their houses down there because of that incident that occurred in one house. It's just a challenged neighborhood and the only way that this site would work Krista and the rest of you is to have some money to make it so that it makes sense economically to come in and buy out that area, otherwise we'll just let it go. Because those people, most of them now are of opinion that they want out of there. Nobody's going to buy their houses unless they can get the whole lock stock and barrel. But they can't justify that economically without some help from the City. It's like the old proverbial trailer park that you have up there in unincorporated Salt Lake County.

Krista Dunn

From my interpretation of the RDA I still cannot in my own mind justify putting a project like Valley Center Towers in an RDA. I've had this discussion with the people from the Utah League of Cities and Towns, and I'll tell you they're frustrated with us for pushing something like this, because they have to fight at the legislature where they've been

fighting for years to try to keep RDA's as viable within the state, and people are going to fight to take them away, because of projects like this.

Mayor Snarr

I'm talking to the wrong people up at the League then, I guess. Well it's your decision obviously, I just know that because I live in that neighborhood and Jeff does too, that there are some real severe challenges down there right now.

Krista Dunn

I agree with that, I just don't like the boundaries

Mayor Snarr

They're being encroached upon from all directions. Obviously if Smith's goes across the street, it's just going to impact them even more with traffic issues. They're going to be coming in and saying it's intolerable for us to exist here any longer, but we can't afford to give our houses away. That's what an RDA would allow them to do, to get fair market value and then bring in some nice medical buildings or some more retail across the street. I guess we'll have to wait and see what happens.

Jeff Dredge

I have heard rumblings, and here's my concern. I think that there needs to be something done over here, I think that there needs to be an RDA. I've talked to a lot of the people. But my feelings about how we should vote tonight are based on these rumblings. I've heard that there have already been promises made to certain developers if this thing should go through. What I want to know is if there have been commitments made by the city that certain people, certain developers are going to get money if this goes through.

Mayor Snarr

I'd like to know who your contacts are Jeff because I'd sure like to talk to them.

Keith Snarr

I don't think there has been any indication other than we've started an RDA study there and that identifies that something could happen, but nobody's made any kind of overture or commitment on anything to anyone.

Mayor Snarr

They approach me and I've told them we've spent all the money that we had in our economic development incentive fund, and it's gone.

Jeff Dredge

So the reason Valley Center Towers is in there is we need their tax base and if we don't have it then there's not enough from the other buildings there to fund that small section of housing. The people there have been waiting for years to be bought out.

Jim Brass

My concern is the problem I feel we have up at the legislature and elsewhere and even with the school district is that it's perceived we're using the RDA as a land grab, as a tax grab to get increment. My perception is the same as Krista's that the RDA is to help areas develop that might not be developed such as Fireclay that would require some rather expensive road work to get the access, that's why I like that project. To go after a brand new building and say we're going to throw this in here tends to lend credence to what people say. I'd hate to see legislation against RDA's because of something like that, when the overall area might be a good area.

Pat Griffiths

I concur with those sentiments that have been expressed and I certainly don't want Murray to be a poster child for RDAs. I think pushing so many at the same time when its under a microscope by the legislature that we'd be shooting ourselves in the foot perhaps and it would be counterproductive.

Krista Dunn

I don't have a problem with looking at an RDA for that area. I think parts of this area are actually very good for looking at an RDA and doing the blight study. From the very beginning I haven't liked the boundaries of it and still don't like the boundaries of it. I think it puts us in a grey area and I when I've talked with people that are on the legislative committee with me for the league that are representing other cities, they're very concerned about what we're doing here. I'm concerned if it causes the legislature to go even a step further toward taking away RDA's, because I think RDA's are valuable. I think they are if they're used the right way.

Jeff Dredge

What I was going to propose tonight is that we not kill this RDA but rethink the boundaries.

Jim Brass

I'd be comfortable with that. Perhaps we need to ask is can we include that in a resolution.

Frank Nakamura

You can.

Jim Brass

That's a motion.

Jeff Dredge

The motion is that we continue this RDA but give some more time and consideration to the boundaries in that area. I would assume that city staff would know the limit of their resources so I'm not as worried about running multiple RDA's at once.

Frank Nakamura

So the study is not going forward until such time as you are able to redefine the boundaries.

Robbie Robertson

My idea is that we don't move forward with the studies and all those kind of things until after we get the boundaries established the way we want them.

Pat Griffiths

There would be nothing that would preclude us from doing that even if we adopted this resolution would there?

Frank Nakamura

It would terminate it, but you could have another one.

Pat Griffiths

We could establish another that's more clearly defined.

Krista Dunn

That seems too final to me. I'll second the motion.

Jeff Dredge

I'd like to sit down with a map and all of us together and with the input of our professional staff and maybe move the boundaries around here and there.

Jim Brass

I would be comfortable with just eliminating Valley Center.

Mayor Snarr

The only comment I have is that the area that could use some attention and Keith and I are well aware of this, is down along 300 West corridor that's being opened up with the new Cottonwood Street overpass and extension. But just eliminating Valley Center Towers wouldn't allow you to pick up all you need to do down there, so is going to take some thoughtful research and looking at that map and saying what can and can't we do here. My concern is I hope that there's enough increment that's generated to address that area down there with Hamblin and Allendale and that general subdivision that really is suffering terribly right now. Maybe there is and maybe there will be.

Jeff Dredge

Where we've been is the Economic Development Advisory Board established these boundaries and showed them to us and we want to be supportive of these committees and I don't think that we looked at it close enough and before I say let's pull the trigger and move forward, I want to look at the boundaries a little bit now that my personal understanding of the process is a little greater.

Pat Griffiths called for a voice vote to continue this RDA, but to reconsider the survey area boundaries.

The vote was unanimous in the affirmative with a reluctant “aye” from Pat Griffiths

Krista Dunn

We probably need to schedule a meeting to start looking at the College Park area.

Keith Snarr

We can do that at your convenience. What were talking is a table top discussion about the areas and if we need to come back and redo a survey area boundary we can address that at that time.

It was decided to discuss the College Park area on November 16th at 4:00 p.m. The meeting was adjourned.